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**BLUE RIBBON  
COMMITTEE MEETING  
CALIFORNIA APPRENTICESHIP COUNCIL  
MINUTES**

Tuesday- September 30, 2008

**I. CALL TO ORDER/ROLL CALL**

Chairperson Jose Millan called the meeting to order at 10:00 a.m. Members present were: Jose Millan, Anne Quick, Patrick McGinn, Dina Kimble, Leo Garcia, and Glen Forman. A quorum was met.

Chairperson Millan gave an overview of the purpose of the meeting; The Blue Ribbon Committee was established by the Apprenticeship Council to consider the issue of the possible expansion of apprenticeship opportunities through the possible placement of apprentices on non- Public Works construction projects, private construction projects, including, but not limited to non-Public Works commercial and construction projects. As a result a presentation was presented by Carrie Bushman at the July 31, 2008 meeting in San Diego, on behalf of CAAAT, that proposed a change in the wage rate to apprentices employed in non-public works, private, commercial, and residential construction projects from 40% to 35% of the total journeyman wage package and from 80% to 70% of the total journeyman wage package paid to apprentices in their final period on private non-public works, commercial and residential projects.

Chairperson Millan opened the floor to the Committee for any comments or discussions.

Commissioner McGinn asked about the issue relating to the expansion of apprenticeship opportunities through exploring new areas of Public Works activities that have not as yet been opened to apprentices, which relates to the Public Works side of activities. Chairperson Millan replied that the issue has not been taken off the table but was open to discuss any suggestions.

Commissioner McGinn felt there was a need for discussion on both sides of the issue. He felt there are plenty of opportunities within the Public Works itself and that it was not necessary to go into the private industry and lower wages in order to expand.

Commissioner Garcia commented that it was his intent to explore further opportunities that are currently enjoyed in the construction industry and explore opportunities in the residential area as well as private commercial.

Commissioner Goff expressed that he felt the reason for the large attendance is that no one wants to have their wages cut. He also commented that "no matter what section of what book we get into, no one can stand to live with less money."

Commissioner Quick commented that there are two ways that an Apprenticeship Committee can determine wages for apprentices if they're working on non-Public Works. The way that it is done now, before the change, is you take the total journeyman prevailing wage package and it starts at 40% and finishes at 80% in equal increments and there is a recommended change to that. However, the other option, back in 2002, when the original California Code of Regulations Code Section 208 change went in place, the alternative the committees could do is to leave the apprentice wages exactly the same for private and the Apprenticeship Committees are the ones that can make that choice.

Chairperson Millan continued discussion to the Committee of expanding apprenticeship opportunities through exploring new areas of Public Works activities that have not as yet been open to apprentices.

Commissioner McGinn elaborated that DAS has charged with enforcing the regulation that mandates contractors to employ apprentices on Public Works. The fact is that they have not had the compliance people to enforce that regulation. The Committee needs to find ways to force the contractors to comply with the law; this would create more opportunities for apprentice training.

After discussions from the public, Chairperson Millan stated that discussions of the expansion of apprenticeship opportunities with the exploration of new areas of Public Works activities will be continued at a later time.

## II. Deliberation on the amended proposal of California Code of Regulations Code Section 208 which was submitted by Carrie Bushman, at the July 31, 2008 meeting in San Diego

- Carrie Bushman, Cook Brown, LLP, on behalf of CAAAT, responded to some of the issues that were raised since the proposal was presented. The first issue she addressed was to make sure everyone understands that this proposal has been characterized as an attempt to lower apprentice wages. She wants everyone to understand that the California Code of Regulations Code Section 208 and this proposal is something that sets a floor to the wages, not a ceiling. Ms. Bushman ensured the Committee and the public that the proposed amendment does not mean that there is going to be an across the board, cut in wages; the Programs retain the discretion to set the wages however they want with California Code of Regulations Code Section 208 wages as a floor. The second issue she addressed was the proposal is not to decrease wages but to increase apprentice opportunities on Private Works jobs by enabling, by bringing those wage rates more in line with what the market will bear, so that contractors who want to use apprentices on Public Works jobs can do so. She continued to say that it is the task of the Committee to look for ways to expand apprenticeship opportunities. In conclusion she stated that the amendment, in the opinion of CAAAT, will result in increased wages for a large population of workers on private works jobs. She continued with saying that if the proposal were to be adopted those contractors who want to use apprentices but want to be able to bid jobs and get them, can start using those people and paying them a higher wage rate. What CAAAT is asking is that you ignore the politics and the rhetoric and do what you are tasked to do and increase apprentice opportunities and is asking that the Committee to recommend the adoption of the proposal.

Chairperson Millan opened comments from the public.

## Comments from the Public

The following people are recognized in opposition of the proposal presented by Carrie Bushman on behalf of CAAAT:

- Ed De Brito, Southern California Cement Masons J.A.T.C.
- Mark Gonzalez, Northern California Cement Masons J.A.T.C.
- Sandra Benson, Rosenfield, Roger & Rosenfeld on behalf of CACA
- John Upshaw, Independent Roofing Contractors of California
- Raymond Tillery, Operating Engineers on behalf of Operating Engineer Apprentices
- Bill Whitney, Vice President of Mechanical Contractors Association
- Jack Davis, Davis, Cowell & Bowe, LLP, representing joint labor management, apprenticeship committees, unions, and joint labor management committees in the plumbing, pipefitting, refrigeration fitting, plastering and insulating industry
- John Hudson, Chapter Manager for the National Electrical Contractors Association; also representing Fresno Nuclear Energy Group
- Jeffery Cutler, Wohlner, Kaplon, Phillips, Young & Cutler representing the Southern California Pipe Trades J.A.C.
- Dan Smith, Santa Clara Valley Roofers J.A.T.C
- Bob Jennings, Sprinklerfitters, Steamfitters, Plumbers and Pipefitters, U A Local 246
- Richard Markuson, WECA; Mr. Markuson expressed his strong support of the Apprenticeship Program and agrees with much of the sentiment that has been expressed, but says that there is a large population that are involved in Public Works and private works that are not in compliance with the law and it is the State's responsibility to enforce that. With this said Mr. Markuson strongly supports the proposal submitted by Ms. Bushman.
- Randy Gourley, Northern California Carpenters Training Committee
- Paula Resa, Northern California Carpenters Training Committee
- John Bullock, Northern California Carpenters Training Committee
- Gerald Zumwalt, IBEW
- William Callahan, Associated Roofing Contractors Of the Bay Area Counties, Inc.
- Gary Cook, UA Plumbers Local Union 78, Mr. Cook spoke about the increase he has seen with his Program in the last three years. The contractor base in work between private and public works move back and forth depending where the money is. By asking to set up two tiers, he feels it would not work. He expressed that he has heard good arguments from people that represent Joint Apprenticeships as well as misquotes, misinformation by those that hold a self interest. Thank You.
- Jerry Nelson, Kern County Electrical J.A.T.C.
- Michael Lehmann, Ironworkers Local Union 155
- Kevin Parker, Sprinklerfitters, Steamfitters, Plumbers and Pipefitters UA Local 246
- Duane Friel, Southern California Surveyors JAC Local 12, stated if the journeyman's scale comes down it will affect the prevailing wage. Prevailing wage is based on those journeyman's scales. His question is this adjustable rate still part of the proposal. Commissioner Kimble answered that in her statement she felt that it was something that should be looked at, not necessarily adjusted, but looked at every 15 years, because the market changes quicker than 15 years. She made it clear that this was her personal opinion.
- Bert Tolbert, Operating Engineers Training Trust Southern California Local 12
- Portia Dickens, Operating Engineers JAC
- Tony Robinson, Apprentice Operating Engineers Local 3

- Ken Lavigne, Training Coordinator, Sheet Metal Joint Apprenticeship

### III. Meeting to Reconvene after 10 minute break (12:16)

### IV. Remaining opposition from the public.

- Lucille Paula Berg, Stanislaus County Building Trades Council
- Ken Edgecomb Jr., Operating Engineers Local 3
- Linda Jennings, Sheet Metal & Air Conditioning Contractors Association of San Diego
- George Stephenson, Operating Engineers J.A.C.; opposed
- Jose Mendez, Plasterers & Cement Masons Local 300 Monterey; opposed
- Frank Cuneo, Sheet Metal Workers' Local 104 and Bay Area Industry Training Fund
- Tammy Castillo, Director of Apprenticeship, Operating Engineers Local 3 JATC;  
Ms. Castillo stated for the record: We, the undersigned apprentices of the Operating Engineers Joint Apprenticeship Committee, wish to be entered in the record of the California Apprenticeship Council (CAC) Blue Ribbon Committee, as being opposed to any proposed revisions to Title 8, Article 3, Section 208 which lower wage rates of apprentices on private work.
- Caesar Diaz, State Board of Construction Trades Council
- Chris Norton IUOE Local 12
- Patrick Grisby, Senior Coordinator, Operating Engineers Local 3 JATC;
- Scott Shimmin, District Council 36
- Patrick Powers, Operating Engineers Local 3
- Butch Cabrera, Operating Engineers JAC San Jose
- Holly Brown, Operating Engineers JAC Local 3
- Buck Smith, Painting & Decorating Drywall Contractors
- Dough Kilgore, Operating Engineers Local 3
- Jim Earnst
- Bob Center, International Union of Operating Engineers
- Kenneth Green, 1<sup>st</sup> step
- Mark Agunez, Operating Engineers
- Deborah Carol, Oakland, Alameda Local 3 JAC
- David Beara, IBW local 332
- Clara Patterson, Apprenticeship Coordinator, Operating Engineers, Sacramento, El Dorado, Nevada, Yolo, & Placer Counties
- Thomas Drennan, Local 12
- Randall Miller Apprentice Coordinator, Operating Engineers Local 3; “I would like to go on the record as opposed to this proposal because of all of the opposition that has been stated earlier.”
- Dean Naturo, District Representative, Operating Engineers
- Steve Makie, Compliance Officer, Santa Clara Valley Roofers JATC
- Anthony Lima, 2<sup>nd</sup> step Apprentice
- Daniel Martinez, Coordinator for 42 Counties of Northern California

The following people are recognized in favor of the proposal presented by Carrie Bushman:

- Pete Saucedo, AGC Apprenticeship & Training Trust
- Chuck Stanton, Training Coordinator, Fresno, Madera, Kings & Tulare Counties Electrical Industries JATC; asks why the contractors that are bidding on private works, lower their take home pay, so they can afford to pay their apprentices 40%. Mr. Stanton supports the proposal.

Chairperson Millan opened comments to the Committee:

- Commissioner Quick thanked the attendees for taking the effort to come to the meeting to express their opinion.
- Commissioner Garcia expressed that the mission was to bring information before the Council. He reminded everyone of the two sides bringing forth their opinions and that the issue was to protect the apprentices. Commissioner Garcia recommended to the committee to give the full responsibility to the CAC and to present the proposal as a starting point.
- Commissioner Goff recommends that the Committee take the **California Code of Regulations Code Section 208** to the CAC and ask them to leave it alone and not lower the wages. Commissioner McGinn seconded the recommendation.
- Commissioner Kimble seconded Commissioner Garcia's motion to approve the proposal.
- Commissioner Goff made a motion to recommend that the Blue Ribbon Committee take back to the full board of the California Apprenticeship Council that we not lower the wages under Section 208 of any Apprentices.
- Chairperson Millan called a roll on the motion and it was passed.

#### V. Adjournment

- The meeting was adjourned at 1:15 p.m.